

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

IN RE

**LEHMAN BROTHERS HOLDINGS INC.,
ET AL.,**

DEBTOR

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§

CHAPTER 11

CASE NO. 08-13555-JMP

(JOINTLY ADMINISTERED)

**OBJECTION OF LEVEL 3 COMMUNICATIONS, LLC
TO PROPOSED CURE AMOUNTS**

COMES NOW Level 3 Communications, LLC (“Level 3”), and files this objection (“Objection”) to the proposed cure amounts in the Debtors’ Notice of Assumption and Assignment of, and Amounts Necessary to Cure Defaults Under Contracts and Leases to be Assumed and Assigned to Successful Purchaser (“Notice”), and avers as follows:

1. Level 3 and its subsidiaries, including, without limitation, acquired subsidiaries ICG Telecom Group, Inc. (“ICG”), TelCove Operations, LLC (“TelCove”), and Looking Glass Networks, Inc. (“Looking Glass”)(together, the “Level 3 Entities”) is a communications services provider. Level 3 provides communications services to the Debtors and their subsidiaries (including, without limitation, Townsend Analytics, Ltd.) pursuant to at least the following agreements: a Master Service Agreement, dated March 23, 2001, between Lehman Brothers Ltd. and Level 3 Communications Limited; a Conduit IRU Agreement, dated May 23, 2002, and an Operations and Maintenance Agreement, dated May 23, 2002, between Lehman Brothers Holdings Inc. and Level 3 Communications, LLC; a Master Services Agreement, dated August 7, 2006, between Lehman Brothers Inc. and ICG; and a Master Service Agreement, dated August 1, 2005, between Townsend Analytics Ltd. and Level 3 Communications, LLC, as amended August 15, 2005. Separate communications services agreements exist between the

Debtors (or Debtor affiliates) and TelCove, and Looking Glass. The Level 3 Entities continue to provide services on a post-petition basis.

2. On or about September 18, 2008, the Debtors filed the Notice, along with a list of the contracts to be assumed and assigned (“IT Closing Date Contracts”). The list of IT Closing Date Contracts was amended October 1, 2008, and posted on the Debtors’ sale information website at <http://chapter11.epiqsystems.com/lehman>. According to the Notice and the IT Closing Date Contracts, as amended, the Debtors propose to assume one Level 3 agreement, but the agreement is not clearly identified – listed only as “Amendment/Addendum/Schedule.” The Debtors further propose that the amount due and owing by the Debtors to Level 3 pursuant to the Level 3 “Amendment/Addendum/Schedule” is \$0.00 (“Proposed Cure Amount”).

3. Level 3 does not oppose the assumption and assignment of the Level 3 Entities’ agreements. However, Level 3 objects to the Proposed Cure Amount. According to Level 3’s books and records, there are outstanding balances owed pursuant to each of the agreements between the Debtors (and/or Debtor affiliates) and the Level 3 Entities, which would be due to cure all amounts arising under such agreements in accordance with § 365 of the Bankruptcy Code.

4. Level 3 has provided documentation related to the Level 3 Entities’ agreements and the outstanding amounts owed to counsel for the Debtors’ purchaser/assignee.

5. Level 3 requests that the Debtors be required to more specifically identify the Level 3 contracts listed on the IT Closing Date Contracts, as amended, to allow Level 3 to identify the correct cure amounts for the agreements at issue on behalf of all the Level 3 Entities.

6. Level 3 reserves the right to make such other and further objections as may be appropriate.

WHEREFORE, Level 3 respectfully requests that this Court enter an order directing the Debtors to more specifically identify the Level 3 agreements listed on the IT Closing Date Contracts listing, and that the Court grant Level 3 such other and further relief to which it may show itself to be justly entitled.

Dated: October 2, 2008
Austin, Texas

Respectfully submitted,

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**ATTORNEYS FOR LEVEL 3
COMMUNICATIONS, LLC**

CERTIFICATE OF SERVICE

This is to certify that on this 2nd day of October, 2008, a true and correct copy of the foregoing document was served electronically or via United States mail, postage prepaid upon the following parties:

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